TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1832 - HB 1486

April 3, 2009

SUMMARY OF BILL: Changes "chargeable" to "charged" which limits the amount of fees assessed against the Department of Human Services by the county court clerks for child support collection actions and child care licensing actions to those charged prior to January 1, 2006.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,719,300

Increase Local Revenue - \$5,056,800

Increase Federal Expenditures - \$3,337,500

Assumptions:

- According to the Department of Human Services (DHS), Attorney General Opinion 08-162 issued October 2008, prohibited the court clerks from charging a \$75 fee for filing a child support petition pursuant to Tenn. Code Ann. § 8-21-401(a)(7)(R).
- The provisions of the bill will authorize the court clerks to revert back to the charged amount prior to January 1, 2006. The court clerks that were itemizing fees interpreted the law as authorizing a charge of \$75.
- Clerks who are itemizing fees will be able to increase the fee charged for filing a child support petition from \$2 to \$75.
- Clerks who are flat fee clerks could become itemized clerks to increase the fee charged for filing a child support petition from \$35 to \$75.
- There were approximately 89,500 child support petitions filed on behalf of the Department in the past 12 months. DHS estimates that 50 percent, or 44,750, were in counties that charges itemized fees and the remaining 50 percent were in counties that charged a flat fee.
- The counties that itemize fees will incur a \$73 (\$75 \$2) dollar increase in fees charged resulting in state expenditures of \$3,266,750.
- The counties that charge a flat fee will incur a \$40 (\$75 \$35) dollar increase in fees charged resulting in state expenditures of \$1,790,000.

• The Child Support Program receives an approximate 66 percent federal match. Of the \$5,056,750 in increased expenditures, \$1,719,295 will be state funds at a rate of 34 percent and \$3,337,455 will be federal funds.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/kml